

STATEWIDE PAYROLL MEETING FISCAL YEAR END

MAY 15, 2017



Introductions

- Central Payroll
 - Stu Wilbur
 - Tracey Cappuccio
 - Sam Tekien
 - Karen Turner
 - Lalita Farr
 - Vahn Vo
 - Misty Delgado
 - Travy Phan
 - Marla Grossman, RASL
- Systems Integration
 - Joanna Greenaway
 - Somer Phegley

Contact Information

- **Agency Payroll Resource Contact List**
- **Employee Resource Contact List**
- **Agency Contact List**
 - Human Resources
 - Payroll
 - Accounting
- **Send any updates to Central Payroll electronically**
 - (602) 364-2215 (fax)
 - Central.Payroll@azdoa.gov



Website Registration

<https://gao.az.gov/register-updates>

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 PUBLICATIONS AFIS PAYROLL / RASL FINANCIALS
PROJECTS

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GAO Policy Updates

- Statewide GAO Policies published as drafts
 - Comments are being accepted
 - <https://gao.az.gov/publications/saam/saam-draft>

- Publications
- State of Arizona Accounting Manual (SAAM)
- SAAM Drafts
- Topic – 55 Payroll

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PUBLICATIONS AFIS PAYROLL / RASL FINANCIALS TRAVEL RESOUR

SAAM Drafts

SAAM SAAM Drafts

Choose Topic
- Any -

00 General Information

TOPIC	SECTION
30	The Use of Electronic Signatures for Limited Statewide Internal Accounting Processes

80 Miscellaneous

TOPIC	SECTION
10	Food and Beverages at State-sponsored Events
12	Food and Beverages at Certain Exercises and/or Training Activities

90 Special Topics

TOPIC	SECTION
35	Leases
36	Installment Purchases
37	Lease Purchase Contracts and Leases with the Option to Purchase

Chart of Account Proposed Updates (FY18)

- Proposed updates to the Chart of Accounts for Fiscal Year Ending June 30, 2018 have been posted to the GAO website.
- Purpose: To simplify and improve reporting. This is the first phase.
- SAAM Sections affected have been posted as drafts:
 - 9511: Balance Sheet Accounts
 - 9513: Revenue Sources
 - 9514: Expenditure Objects
- Simplified link to Excel file of changes is in the web story:
 - <https://gao.az.gov/chart-accounts-proposed-changes-fiscal-year-ending-june-30-2018>
- Agencies are encouraged to read through the changes and provide feedback not later than the close of business on Friday, June 2, 2017.
 - Comments should be emailed to gaopolicy@azdoa.gov
- Implementation: July 1, 2017 or later

ASRS Fiscal Year Intent Review

- State law requires participation in the ASRS when all membership criteria are met. A.R.S. § 38-711.23(b) defines members as
 - “... all employees of an employer who are eligible for membership pursuant to section 38-727 and who are engaged to work at least twenty weeks in each fiscal year and at least twenty hours each week.”
- At the beginning of each fiscal year, a review of these types of employees needs to be done to determine and document the employer’s intent regarding ASRS 20/20 criteria
 - Intent of employment at the beginning of the new fiscal year or when a job change occurs
- Monitor employees for 20/20 criteria
 - Use “ASRS Eligibility Review (code 9) Report” in the Data Warehouse

20/20 Intent Certification

- Should be completed each fiscal year
 - Intent can change
- Filed in the employee's file
- Signed off on by someone "in the know" of the Intent
 - HR/Supervisor

INSTRUCTIONS

State law requires participation in the ASRS when all membership criteria are met. A.R.S. § 38-711.23(b) defines members as "... all employees of an employer who are eligible for membership pursuant to section 38-727 and who are engaged to work at least twenty weeks in each fiscal year and at least twenty hours each week."

In order to determine if a particular employee is "engaged to work 20/20", we need to understand if you intend that the employee will work 20/20 in the current fiscal year based on the terms of employment and intended duration. Consider any changes that are believed to occur in the current fiscal year. If no substantial changes to their current work hours are expected to occur, consider the employee's actual work history in the prior fiscal year as an indicator of what they may likely work in the current fiscal year.

Once completed, send this form to your Agency Human Resources or Personnel Office for processing.

Agency HR: Ensure the employee's HR11 Retirement Code is appropriate given the intent indicated below. If you have any questions, please contact GAO Central Payroll at Central.Payroll@azdoa.gov.

The terms of employment and intended duration, as of: _____ have been reviewed for:

_____	_____	_____	_____	_____
EIN	Employee Name	Position	FTE	Work Schedule

Individuals with personal knowledge of the employer's intent should indicate the agency's intent below.

The agency **ANTICIPATES** that **FOR THE CURRENT FISCAL YEAR**, the employee listed above:

WILL WORK at least twenty weeks for at least twenty hours each week

[Provide any information about FTE, position, work schedule, work projects, expected employment duration, etc, that is known as this time. You can attach additional information if needed.]

WILL NOT WORK at least twenty weeks for at least twenty hours each week

[Provide any information about FTE, position, work schedule, work projects, expected employment duration, etc, that is known as this time. You can attach additional information if needed.]

[Check Only One]

I am authorized on behalf of my agency to make this certification.

_____	_____	_____	_____
EIN	Authorized Signature	Date	Agency ID / Name

Legislative Update - Bills Passed

2017 – Fifty-third Legislature – First Regular Session

- SB1078 (Emergency 3/27/17): Electronic; digital signatures
- SB1063 (Emergency 5/01/17): PSPRS changes
- SB1411 (Effective 6/30/17): (2016-52nd Legislature, 2nd Regular Session) Repeals AIB (division of DES). Requires AIB to establish non-profit agency for operations
- SB1428 (Effective 7/1/17): (2016-52nd Legislature, 2nd Regular Session) Establishes PSPRS Defined Contribution Plan (PDC) (specific training for 6 affected agencies)
- SB1137*: Allows for collection of fees for payment by warrant to vendors providing materials, construction, or services
- SB1138*: Eliminate the requirement for an encumbrance for certain expenditures and increases amount requiring encumbrance to \$5K
- SB1190*: Extends Supplemental Benefits (repeal 9/30/2025)

*Effective on the General Effective Date (90 days sine die)

Legislative Update - Bills Passed

2017 – Fifty-third Legislature – First Regular Session

- HB2106*: Garnishment Update for Orders of Continuing Lien (OCL) (only ASDB employees may be affected)
- HB2166*: Update to ASRS ACR
 - Keeps, “...in any capacity in a position ordinarily filled by an employee of the employer...”
 - Adds, “...or in a position that is similar in duties and responsibilities to that of a position ordinarily filled by an employee of the employer...”
- HB2169*(transmit to Gov): Repeal ASRS Waiting Period
- HB2075 (Effective 1/1/2018): Merges Radiation Regulatory Commission with Department of Health Services
- SB1442 (Effective 7/1/2018): Establishes CORP Defined Contribution (CDC) Plan

*Effective on the General Effective Date (90 days sine die)

Travel Hub Reimbursement Payments

Travel Hub: AFIS/HRIS travel payment integration

What this means:

- Travel payments for employees in a regular pay status will be paid through the AFIS Travel Hub.
- Travel payments will then be recorded, but not paid, in HRIS.
- Taxable travel paid in AFIS will have a time record that will increase taxable wage and collect taxes owed from an employee on his/her next HRIS payment.

Items for Agency Payroll to note:

- Pay code **525:** TRAVEL HUB PAYMENT - TAXABLE (does not pay, increases taxable wage).
- Pay code **526:** TRAVEL HUB PAYMENT - NONTAXABLE (does not pay, informational only).
- Time record dates will reflect the date payment was made in the AFIS Travel Hub.
- Travel payments for employees not regularly paid, such as board and commission members, will still be processed in HRIS on ZR35.2.
- HRIS inbound interface runs daily, adds Travel Hub time records to batch 999
- HRIS outbound interfaces run daily, updates Travel Hub with traveler, direct deposit, supervisor, and funding data.
- Pilot program introduced on 3/20/17 for three agencies. Expansion will occur gradually over the next two years.

Important: Agencies are always responsible for the employer share of FICA taxes but may need to pay for the employee's share in circumstances such as a termination when the employee will not be receiving any additional pay. For those rare situations, GAO would collect the employee amount owed in a similar fashion as a Transit Card non payment. After confirming no additional HRIS payments are due, an AFIS IETBSPR transfer would be processed using object 6111 which would charge the agency for any taxes not recovered from the employee.

Overtime Impacts of Bonuses per U.S. Department of Labor

- Non-Discretionary (most bonuses)(must be allocated for overtime and retirement purposes)
 - Announced to employees to encourage them to work more steadily, rapidly or efficiently and bonuses designed to encourage them to remain with the facility.
 - Attendance bonuses (Retention Incentive), individual or group production bonuses (Goal Based Incentive), bonuses for quality and accuracy of work (Merit Based Incentive), bonuses contingent upon the employee's continuing employment until the time the payment is to be made (Retention Incentive). They must be included in the regular rate of pay.
- Discretionary (surprise bonus to the employee)
 - §778.211: "Sums paid in recognition of services performed during a given period if *** (a) both the fact the payment and the amount of the payment are determined at the sole discretion of the employer at or near the end of the period not pursuant to a contract, agreement or promise causing the employee to expect such payment regularly ***"
 - Discretionary in one year may not mean it is discretionary in subsequent years.
 - Not announced in advance. Fully earned when announced, such as a SPOT award.
 - Few bonuses are discretionary under FLSA.

Compensation Strategies – in June

- Deadline: bonuses should not be scheduled for the June 22nd payroll
 - If any errors occur, there is no time left to correct in FY17
 - GAO recommends any bonuses approved to be paid out of FY17 funds should be scheduled no later than the June 8th payroll
 - No Handwrites issued for bonus payments
- Please coordinate with Agency Leadership as soon as possible to ensure bonuses can be paid as intended
 - Contact GAO Central Payroll to coordinate timing

Handwrites through Fiscal Year End

- Should be kept to a minimum to avoid PEDF1 document rejects on the Document Catalog
- Travel & Other Reimbursement handwrites allowed June 21-29, 2017
 - Minimum handwrite threshold lowered from \$100 to \$10
- GAO will be verifying cash and appropriation availability in AFIS
- June 30 – July 2, 2017
 - NO HANDWRITES, PLEASE PLAN AHEAD!



Benefit Arrears

ADOA is continuing to plan for the capability to track benefit arrears. Employees enrolled in benefits, but without enough pay to have a deduction, would have a pending 'one-time deduction' for the amount of the missed premium(s).

Purpose:

- Enable agencies to quickly review and monitor amounts owed through a Data Warehouse report.
- Ensure the Health Insurance Trust Fund (HITF) is collecting premiums owed for insurance coverage provided.
- Allow for consistent treatment Statewide regarding missed premiums.

Agency Payroll:

- Ensure LWOP time records are entered for an employee's regular schedule when the employee is not working or receiving paid leave.
- Ensure any outstanding one-time deductions are selected for manual warrants.
- Work with Human Resources and Benefits to ensure employee benefits are terminated timely when missed premiums are not paid by the due date.

AFIS Chart of Accounts (COA) Elements used for HRIS Labor Distribution

- AFIS COA Elements are interfaced from AFIS to HRIS on a nightly basis.
- Agencies may begin creating new FY18 COA elements in AFIS anytime.
- FY18 AFIS COA elements must be set-up (with the appropriate roll-up type) by June 14, 2017, to be mass uploaded to HRIS on June 16, 2017.
 - For assistance, see Quick Reference Guide, “Creating and Modifying Chart of Accounts Elements Related to HRIS Integration” available on the GAO website: <https://gao.az.gov/sites/default/files/Creating%20COA%20for%20HRIS.pdf>
- Beginning June 21, 2017, FY18 COA elements will be interfaced nightly to HRIS; FY17 COA elements will no longer be included on the interface.
- FY18 AFIS COA elements to be used on the first pay cycle of the fiscal year (July 6, 2017) must be set-up in AFIS no later than June 30, 2017.

Payroll Corrections - AFIS PEDF1 documents

- All AFIS PEDF1 documents in rejected status, must be finalized by June 30, 2017. (Please complete by June 23rd if possible).
- GAO will be monitoring PEDF1 records to ensure they are being posted in a timely manner.
- Please contact your GAO AFIS Liaison for assistance, or to discuss any compliance issues.

HRIS Statewide ETE Items

- June 14th – 6:00 PM
 - ETE Templates requiring mass upload (100+) are due to GAO
 - Email: Central.Payroll@azdoa.gov
- June 17th – 6:00 PM
 - ETE Cutoff for all agencies
- June 18th – 7:00 AM
 - ETE Interface scheduled for Sunday with AY17 labor
- June 19th - morning
 - Updating Sub-Account (BFY) 2017 to (BFY) 2018
- July 1st – 6:00 PM
 - Errors must be fixed by July 1, 2017 at 6:00 PM (ETE deadline)

HRIS Statewide Position Update

- June 24th – 25th
 - XP02/ZP02 Update
 - Updating Sub-Account (BFY) 2017 to (BFY) 2018
 - Update Position labor distribution elements based on Agency requests/submittals
 - Errors must be fixed by July 1, 2017 at 6:00 PM (ETE deadline)
- June 30th – HRIS View Only, No Handwrites
 - Perform time entry activities a day early if possible
 - XR23.3 Update
 - Updating Sub-Account (BFY) 2017 to (BFY) 2018
 - Update Multiple Labor Distribution elements based on Agency requests/submittals
 - Errors must be fixed by July 3, 2017 (2:00 PM)

HRIS Critical Dates Summary

- June 14, 2017
 - ETE Templates due to Central.Payroll@azdoa.gov
- June 19, 2017 (ETE view only)
 - ETE Templates uploaded
- June 21, 2017
 - Submit any XP02/ZP02 Position labor distribution mass changes to Somer Phegley (somer.phegley@azdoa.gov) for processing
 - Discontinue FY17 AFIS COA elements on interface to HRIS
 - Begin ETE entry for FY18 payroll
- June 24th – 25th, 2017 (HRIS view only)
 - Statewide HRIS Position Update
- June 26, 2017
 - Begin XR32/XR35/ZR35 entry in HRIS for FY18 payroll
- June 28, 2017 (HRIS view only until 10 am)
 - GAO Central Payroll prior year adjustments
- June 30, 2017 (HRIS view only)
 - Statewide updates (retirement plans and rates)
 - XR23.3 Updates

HRIS Critical Dates - June - July 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28	29	30	31	1 JUNE	2	3 PAY PERIOD BEGIN
					PAY PERIOD END	
4	5	6 COMPUTE	7	8 PAYDAY 12	9	10
ETE INTERFACE						
11	12	13	14	15	16	17 PAY PERIOD BEGIN
			ETE Template Updates due to Central Payroll			ETE CUTOFF 6PM
			AY18 Templates due to GAO Systems Support		PAY PERIOD END	
18	19	20 COMPUTE	21	22 PAYDAY 13	23	24 HRIS VIEW ONLY
ETE INTERFACE 7 AM	ETE AY18 Templates loaded					XP/ZP02 UPDATED TO AY18 AFIS COA ELEMENTS
	Agency: Check ZR530/ZS535 ETE EXTRACT error reports					
ETE UNAVAILABLE						
25 HRIS VIEW ONLY	26	27	28	29	30 HRIS VIEW ONLY	1 JULY
XP/ZP02 UPDATED TO AY18 AFIS COA ELEMENTS	AGENCY: FIX XP02/ZP02 UPDATE ERRORS & RETURN TO GAO IMMEDIATELY		HRIS VIEW ONLY UNTIL 10 AM GAO prior year adjustments	LAST CHANCE TO PAY IN FY2017 NOON DEADLINE	NO HANDWRITES XR23.3 UPDATED TO AY18 AFIS COA ELEMENTS	PAY PERIOD BEGIN
				Last Day to Update AFIS Labor for ETE for 7/4/17 compute	Statewide Updates: New Retirement Plans & Rates	Last Day to Update ETE Templates before Interface
	LABOR WILL DEFAULT TO AY2018 MUST FIX FOR HANDWRITES				Last Day to Update AFIS Labor for HRIS for 7/4/17 compute	
					PAY PERIOD END	
2	3	4 COMPUTE	5	6 PAYDAY 14	7	8
ETE INTERFACE 7 AM	Agency: Check ZR530/ZS535 ETE EXTRACT error reports	4TH OF JULY				
		HRIS VIEW ONLY				
	HRIS COMPUTE 2PM					

The End

any questions



Next Meeting:

Calendar Year End

Statewide Payroll Meeting

Monday, November 13, 2017

ADOA Conference Room 300

